

*Provides for alterations in Article 14*

**REPORT**  
**OF THE**  
**GOVERNOR AND COMMITTEE**  
**OF THE**  
**HUDSON'S BAY COMPANY,**

**TO BE**  
**LAI D BEFORE THE SHAREHOLDERS,**  
**ON TUESDAY, JUNE 27TH, 1876.**

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**LONDON:**  
**PRINTERS: SIR JOSEPH CAUSTON AND SONS,**  
**47, EASTCHEAP, E.C., & SOUTHWARK STREET, S.E.**

**1876.**

# REPORT

OF THE

COMMISSIONERS OF THE

LIBRARY OF CONGRESS

AND THE

OF THE

LIBRARY OF CONGRESS

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1876.



## DIRECTORS.

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Governor.

THE RIGHT HONORABLE  
GEORGE J. GOSCHEN, M.P.

Deputy-Governor.

EDEN COLVILE, Esquire.

Committee.

GEORGE LYALL, Esquire.

RICHARD POTTER, Esquire.

EDWARD WILLIAM TERRICK HAMILTON, Esquire.

THOMAS HOLDSWORTH NEWMAN, Esquire.

SIR JOHN ROSE, Bart., K.C.M.G.

FRANCIS PEEK, Esquire.

MONTAGU C. WILKINSON, Esquire.

A GENERAL COURT of the Governor and Company of Adventurers of England trading in Hudson's Bay will be held at the City Terminus Hotel, Cannon Street, on Tuesday, the 27th instant, at Two o'clock p.m., when a Report from the Governor and Committee will be laid before the Shareholders, and a Dividend declared.

The Transfer Books of the Company will be closed on the 17th instant, and re-opened on the 8th July.

By order of the Governor, Deputy-Governor, and  
Committee of the said Company.

W. ARMIT,  
*Secretary.*

HUDSON'S BAY HOUSE,  
*London, June 9th, 1876.*

# R E P O R T .

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The Governor and Committee have now to submit to the proprietors the Accounts of the Company, showing the results of trade for Outfit 1874.

The Company's share of the profits of the year amounts to £74,234 8s. 10d. The total undivided Balance on the 31st May, 1876, was £77,123 15s. 11d., out of which the Committee now recommend a further Dividend of 7s. per share, making with the interim Dividend of 8s. paid in January last, a total distribution of 15s. for the year.

The Balance to be carried forward after the payment of the proposed Dividend will amount to £42,123 15s. 11d., against a corresponding item of £42,889 7s. 1d., carried forward last year.

In comparing the results of the Accounts with those of the last few years, it will at once be seen that the general depression of trade, from which almost all branches of commerce and industry are now suffering, has not spared the Hudson's Bay Company. The profits of the Outfit of which the Furs were brought to market last spring, have been materially reduced by the very considerable decline in prices which has taken place. Indeed, to such an extent have prices receded, that it may be remarked that in some instances

they have reached their lowest point, looking back to a period of twenty years. The fall has mainly been experienced in the prices of Martens and Minks. While the Directors greatly regret that the result of the Fur Sales has thus obliged them to recommend a reduced Dividend to the Shareholders, they have satisfaction in stating that, apart from this circumstance, they have no special drawbacks to complain of in the business of the year for which the Accounts are now presented.

As regards the quantity of Furs received, a matter to which they always attach importance, they are able to say that notwithstanding a deficiency in the Returns of certain districts, the total quantity received as the result of Outfit 1874 somewhat exceeded the average of the last seven years.

It is yet too early to anticipate the probable result of Outfit 1875; but your Committee have thus far received favourable reports from several of the districts concerning the collection of Furs expected here in the autumn.

If the present Accounts are compared with those presented last year, it must be borne in mind that Outfit 1873 was not only favoured by good prices realised in the Spring of 1875 for its own returns, but in addition, as explained last year, it received the advantage of the excess realised by the sale of the cargo of the "Lady Head" over the valuation placed upon it. The difference in the profits of the two years accordingly appears considerably greater.

These profits, as shown in the appropriation account, amount to £98,345 7s. 8d., as against £152,619 2s. 6d. last year, being a falling-off of £54,273 14s. 10d. To this must be added £3,426 18s. 3d. for loss sustained by the Fur trade upon the adjustment of the accounts of Outfit



1873, owing to the heavy fall in the prices realised for the Furs carried forward from the last account, and also to charges the particulars of which only arrived with the accounts of Outfit 1874. The loss referred to has been appropriated between the Company and the officers according to their respective interests, as settled by the Deed Poll.

The Balance Sheet shows that the amount of capital employed in carrying on the trade of the Company now stands at £1,003,710 3s. 5d., as compared with £949,317 8s. 8d. in June last.

Requisitions have been made for an increased amount of goods for several districts of the Northern Department, and it may further be stated that the payments of late years for Canadian duties on the importations of the Company have had the effect of gradually augmenting the amount of capital employed in carrying on the trade.

The Company's Marine Insurance Fund shows satisfactory progress. It amounts to £46,357 13s. 3d., as compared with £41,770 0s. 11d. in June last. Premiums to the amount of £4,308 8s. 10d. have been earned during the year, while the account has been charged with £1,434 5s. 8d., mainly in respect of the Company's proportion of the loss of Furs per steamer "Pacific," on a voyage from Vancouver's Island to San Francisco.

The improvement of the transport service of the interior by the introduction of small river steamers is being attended to with as little delay as possible, and the Committee hope that in the course of next season the trade will derive beneficial results from this change in the system.

A small steel steamer, now being built in London, will shortly be sent out for service on the Athabasca River,

and if successful, another will be prepared to assist the steamer "Northcote" on the Saskatchewan, and to render more effective the system of communication between Red River and the Northern Districts, by way of Lake Winnipeg, on which the "Colville" is now plying.

Reports have been received from Manitoba of the opening of navigation and increased activity in connection with the Spring trade, for which the Company are amply provided with the various kinds of goods required and a good result is anticipated.

Tenders have been invited by the Government for proceeding with the work on the proposed Line of Railway from Manitoba to Rat Portage, near the Lake of the Woods, and on other Branch Lines towards Lake Superior.

Unfortunately, the long-expected completion of the communication between Manitoba and the railway system of the United States has not yet been effected.

A statement, prepared from details recently received from the Company's Land Commissioner, will be found in the appendix to this Report, giving particulars as to the sales of land belonging to the Company. It will be seen that 176 lots at Fort Garry have been disposed of at various dates, for the sum of \$122,194 (£24,000). Of these, 30 lots amounting to \$21,335 (£4,000) have been resumed by the Company, in consequence of inability on the part of the purchasers to complete their bargains.

An account is also submitted showing the Receipts and Disbursements in connection with the Company's land from 1st June, 1872, to 31st May, 1875.

These Receipts, partly derived from sales of the town lots at Fort Garry, and partly from sales of land, made from

time to time in Vancouver's Island, amount to £8,773 12s. 7d., from which there is a deduction of £5,642 17s. 5d. for surveys, taxes, and management, leaving a balance of £3,130 15s. 2d. to be carried forward.

The instalments and interest paid during the current year will appear in next account, with such further payments as may be received from purchasers subject to the annual deductions for taxes and expenses of management.

The Committee have directed that special attention is to be given to the collection of the instalments and interest in arrear upon the purchases of lots, amounting to \$23,919, in order that payment may be obtained with as little further delay as possible.

Further sales will be effected when opportunities offer and the demand revives for lots intended for building purposes.

The greater portion of the outlay on the land consisted of expenses attending the surveys around the Company's posts, in accordance with the arrangement made between the Imperial Government and the Company in 1869. They do not apply to the twentieth of the land to which the Company are entitled when the various districts are set out for settlement. The work of survey in this respect has only been proceeded with in the Province of Manitoba, but the Company have not yet contributed their share of the survey expenses, which is limited to Eight cents per acre.

With the experience of the last few years and the changing nature of the Company's trade, the Committee recommend certain alterations in the Deed Poll or Instrument which defines the rights and prescribes the duties of the officers abroad.

The rights of parties will in no wise be affected by the proposed change, which, if approved, will enable the Committee to increase the number of Junior Traders, when, with due regard to the interests of the higher grades, they see occasion to do so. At present the number of Junior Traders is limited by the Deed Poll to Eight. Upon the subject of this change, the Committee have conferred with your Chief Commissioner, and ascertained that in his view it would be advantageous to the interests of the Company. They accordingly now submit the following resolutions for the approval of the Shareholders :—

1. *Resolved that Article Four of the Deed Poll of the 19th December, 1871, be repealed, and the following Article be substituted for and stand in its place.*

ARTICLE IV. The Governor and Committee shall, if and when they see fit, appoint the following Officers to be employed in North America, or elsewhere :—

Three Inspecting Chief Factors, each of whom shall be entitled to three of the above 100 Shares ;

Eight Chief Factors, each of whom shall be entitled to two-and-a-half of the above 100 Shares ;

Fifteen Factors, each of whom shall be entitled to two of the above 100 Shares ;

Ten Chief Traders, each of whom shall be entitled to one-and-a-half of the above 100 Shares ;

Twenty-one Junior Chief Traders, each of whom shall be entitled to one of the above 100 Shares ;

and the remaining five Shares shall be applied to form a Fund at the disposition of the Committee for the benefit of such Officers after they shall have ceased to be in their service, or their families. In the event of the Company determining to defer the appointment of any of the above Officers, or the filling up any vacancies as they occur, the profits appertaining to the unappropriated Shares shall as to sixty parts thereof, be payable to the Company, and as to the remaining forty parts thereof shall be payable to the Officers entitled to the other portions of such profits and in the same proportions.

*2. That the Governor and Committee shall be at liberty from time to time to alter or vary the said Article Four, in so far as the number of Officers in each grade is concerned, but not otherwise; and that the Governor and Committee be requested to take the necessary steps for carrying these Resolutions into effect.*

During the last session of the Parliament at Ottawa, the Government of the Dominion were asked for papers relating to their alleged intention to acquire the lands of the Company by purchase. In compliance with this requisition the Government published the order in Council by which the Prime Minister was authorised to visit England, for the purpose of entering into those negotiations with the Company for the purchase of the bulk of their lands, to which reference was made in previous Reports to the Shareholders.

Beyond the publication of this order in Council, no action was taken during the last Session with reference to the

negotiations between the Prime Minister and your Committee, no proposal having been submitted to Parliament by Mr. Mackenzie for the purchase.

Shareholders will not fail to bear in mind, in connection with this subject, the continued depression in the state of trade throughout the Dominion, and the effect which it has had upon the finances of that country.

On behalf of the Committee,

GEORGE J. GOSCHEN,

*Governor.*



# (1.) TRADING ACCOUNT.

*Exhibiting the Profit and Loss results during Outfit 1874; namely, from 1st June, 1874, to 31st May, 1875.*

Dr.

Cr.

|   | £       | s. | d. |   | £       | s. | d. |
|---|---------|----|----|---|---------|----|----|
| To Goods, Provisions, Stores, Supplies, as per Inventory, 1st June, 1874 .. ..  | 343,319 | 17 | 8  | By Proceeds of Furs and other Imports, the Returns of this Outfit, after deducting Freight, Dock Charges, Cartage, Fire Insurance, &c. .... | 291,566 | 1  | 11 |
| " Goods (the produce of the country), Debts, and other articles, as per Inventory, 1st June, 1874 .. ..   | 189,525 | 9  | 2  | " Estimated value of Furs in transit .. ..  | 3,264   | 17 | 0  |
| " Goods, Provisions, and Stores purchased in England, supplied for Outfit 1874 .. ..  | 179,907 | 3  | 11 | " Discount on Insurance Premiums .. ..  | 1,621   | 7  | 6  |
| " Amount written off, as depreciated value of Ships and Premises .. ..  | 3,840   | 13 | 9  | " Goods, Provisions, Stores, and Supplies, as per Inventory, 31st May, 1875 .. ..   | 345,608 | 16 | 0  |
| " Balances of Sundry Accounts, representing the Purchase of Furs and Country Provisions in the Territory, and Transport, Insurance, and other charges incidental to carrying on the Trade of Outfit 1874 .. | 33,291  | 7  | 8  | " Goods (the produce of the country), Debts and other Articles, as per Inventory 31st May, 1875 .. ..                                       | 222,933 | 8  | 4  |
| " Fire Insurance Fund .. ..   | 2,000   | 0  | 0  |   |         |    |    |
| " Expenses incurred in London, 1st June, 1874, to 31st May, 1875, viz.:—  |         |    |    |   |         |    |    |
| Governor and Committee 3,500 0 0  |         |    |    |   |         |    |    |
| Salaries of Secretary and other Officers .. ..  | 3,794   | 10 | 5  |   |         |    |    |
| Wages of Labourers employed in the Warehouse, and Sundry Charges .. ..  | 2,628   | 2  | 0  |   |         |    |    |
| Rent and Taxes of Offices in Leadenhall Street,   |         |    |    |   |         |    |    |



house, and Sundry  
Charges .. .. 2,628 2 0

Rent and Taxes of Offices  
in Leadenhall Street,  
and Warehouse in Lime  
Street .. .. 2,320 18 4

Miscellaneous Expenses,  
including Agency in  
Scotland, Law Charges,  
Stationery, Printing, &c. 963 13 7

13,207 4 4

" Salary, &c., to Local Officers .. .. 1,500 0 0

" Pensions and Donations in London and abroad 601 3 4

" Balance carried down, being Profit on Outfit 1874 .. .. 97,901 10 11

£864,994 10 9

## (2.) APPROPRIATION ACCOUNT.

### Outfit 1874, and previous Outfits.

|  | £       | s. | d. |   | £       | s. | d. |
|--|---------|----|----|---|---------|----|----|
| To Loss on realisation of Outstanding Accounts,<br>Outfit 1873 .. .. .     | 3,426   | 18 | 3  | By Balance, being Profit on Outfit, 1874, brought<br>down .. .. .       | 97,901  | 10 | 11 |
| " Retired Officers' Benefit Fund, amount appro-<br>priated thereto .. .. . | 949     | 0  | 10 | " Profit on realization of outstanding accounts,<br>Outfit 1869 .. .. . | 443     | 16 | 9  |
| " Traders for their Shares of Profit, after<br>deducting Interest .. .. .  | 16,628  | 18 | 1  |   |         |    |    |
| " Hudson's Bay Company, for the Balance ..                                 | 77,340  | 10 | 6  |   |         |    |    |
|  | £98,345 | 7  | 8  |   | £98,345 | 7  | 8  |

# HUDSON'S BAY COMPANY.

## (3.) PROFIT AND LOSS.

Dr. Cr.  
1st June, 1875, to 31st May, 1876.

|   | £  | s.       | d. | £  | s.    | d. | £        | s. | d. |
|---|----|----------|----|----|-------|----|----------|----|----|
| To Expenses of Transfer Office, less Fees                   | .. | 330      | 10 | 4  |       |    |          |    |    |
| „ Miscellaneous Expenses                                    | .. | ..       | .. | .. | ..    | .. |          |    |    |
| „ Sundry Colonial Charges not chargeable to Trading Account | .. | ..       | .. | .. | ..    | .. |          |    |    |
| „ Interest on Officers' and Servants' Deposits              | .. | 2,330    | 19 | 4  |       |    |          |    |    |
| „ Interest on Marine Insurance Fund                         | .. | 3,973    | 9  | 0  |       |    |          |    |    |
| „ Income Tax  | .. | 1,713    | 9  | 2  |       |    |          |    |    |
| „ Balance carried down, being net Profits                   | .. | 812      | 14 | 2  |       |    |          |    |    |
|   |    | 74,231   | 8  | 10 |       |    |          |    |    |
|   |    | £83,672  | 4  | 2  |       |    |          |    |    |
| To Dividend paid 9th July, 1875..                           | .. | ..       | .. | .. |       |    |          |    |    |
| „ Interim Dividend, paid 8th January, 1876                  | .. | 75,000   | 0  | 0  |       |    |          |    |    |
| „ Balance, being undivided Profits, 31st May, 1876          | .. | 40,000   | 0  | 0  |       |    |          |    |    |
|   |    | 77,123   | 15 | 11 |       |    |          |    |    |
|   |    | £192,123 | 15 | 11 |       |    |          |    |    |
| By Profit on Fur Trade brought to credit this year          | .. | 77,340   | 10 | 6  |       |    |          |    |    |
| Add differences in settlement with Traders                  | .. | ..       | .. | .. | 1,075 | 3  | 10       |    |    |
|   |    |          |    |    |       |    | 78,415   | 14 | 4  |
| By Interest, Dividends, and Sundries                        | .. | ..       | .. | .. | ..    | .. | 4,451    | 5  | 11 |
| „ Rents of Buildings  | .. | ..       | .. | .. | ..    | .. | 805      | 3  | 11 |
|   |    |          |    |    |       |    | £83,672  | 4  | 2  |
| By Balance brought down                                     | .. | ..       | .. | .. | ..    | .. | 74,234   | 8  | 10 |
| „ Balance of undivided Profits, 1st June, 1875              | .. | ..       | .. | .. | ..    | .. | 117,889  | 7  | 1  |
|   |    |          |    |    |       |    | £192,123 | 15 | 11 |

Dr. *Exhibiting the Receipts and Disbursements, from 1st June, 1872, to 31st May, 1875.* Cr.

**£8,779 12 7**

# (5.) MARINE INSURANCE FUND.

Dr.

31st May, 1876.

Cr.

|          |  | £      | s. | d. |         |  | £       | s. | d. |
|----------|--|--------|----|----|---------|--|---------|----|----|
| 1875.    |  |        |    |    | 1875.   |  |         |    |    |
| Dec. 31. | To General and Particular Average on Cargoes, per steamer "Pacific," and ship "Lady Elgin," in respect of Insurances by the Company .. |        |    |    | June 1. | By amount of Fund at this date ..  | 41,770  | 0  | 11 |
|          | " Balance .. ..  | 1,434  | 5  | 8  | 1876.   |  |         |    |    |
|          |  | 46,357 | 13 | 3  | May 31. | " Interest for one year .. ..  | 1,713   | 9  | 2  |
|          |  |        |    |    |         | " Amount of Premium on Insurances by the Company for Account of the Fur Trade from 1st June, 1875, to 31st May, 1876 .. .. | 4,308   | 8  | 10 |
|          |  |        |    |    |         |  | £47,791 | 18 | 11 |

# (6.) BALANCE-SHEET.

31st May, 1876.

|   | £  | s. | d. |  | £  | s. | d.             |
|---|----|----|----|--|----|----|----------------|
| To Capital .. .. .  | .. | .. | .. | By Cash in hand, and on Deposit..  | .. | .. | 46,037 15 1    |
| " Amount due to Officers and Servants on their Deposits .. .. .   | .. | .. | .. | " Sundry Investments .. .. .   | .. | .. | 88,509 14 4    |
| " Notes in circulation in Hudson's Bay .. .. .  | .. | .. | .. | " Amount invested in the Fur Trade (exclusive of Goods in course of Shipment), viz.:   |    |    |                |
| " Land Sales, Balance to 31st May, 1875 .. .. .   | .. | .. | .. | Leaschold Property in London, and fleet of Ships and Steamers employed in the trade .. .. .  | .. | .. | 33,459 0 4     |
| " Unpaid Dividends, and other Balances (exclusive of amount due in respect of Goods in course of Shipment on 31st May, 1876, not included in Assets <i>per contra</i> ) .. .. . | .. | .. | .. | Valuation of Trading Goods, Provisions and Stores in hand, and advances for carrying on the trade, less amount to meet contingencies .. .. . | .. | .. | 970,251 3 1    |
| " Marine Insurance Fund .. .. .   | .. | .. | .. |  |    |    | —              |
| " Undivided Profits, 31st May, 1876 .. .. .   | .. | .. | .. | " Balance, represented by the remaining Property of the Company .. .. .  | .. | .. | 800,214 7 5    |
|   |    |    |    |  |    |    | £1,938,472 0 3 |

Examined and found to be in due accordance with the Books, Accounts, and Vouchers of the Company.

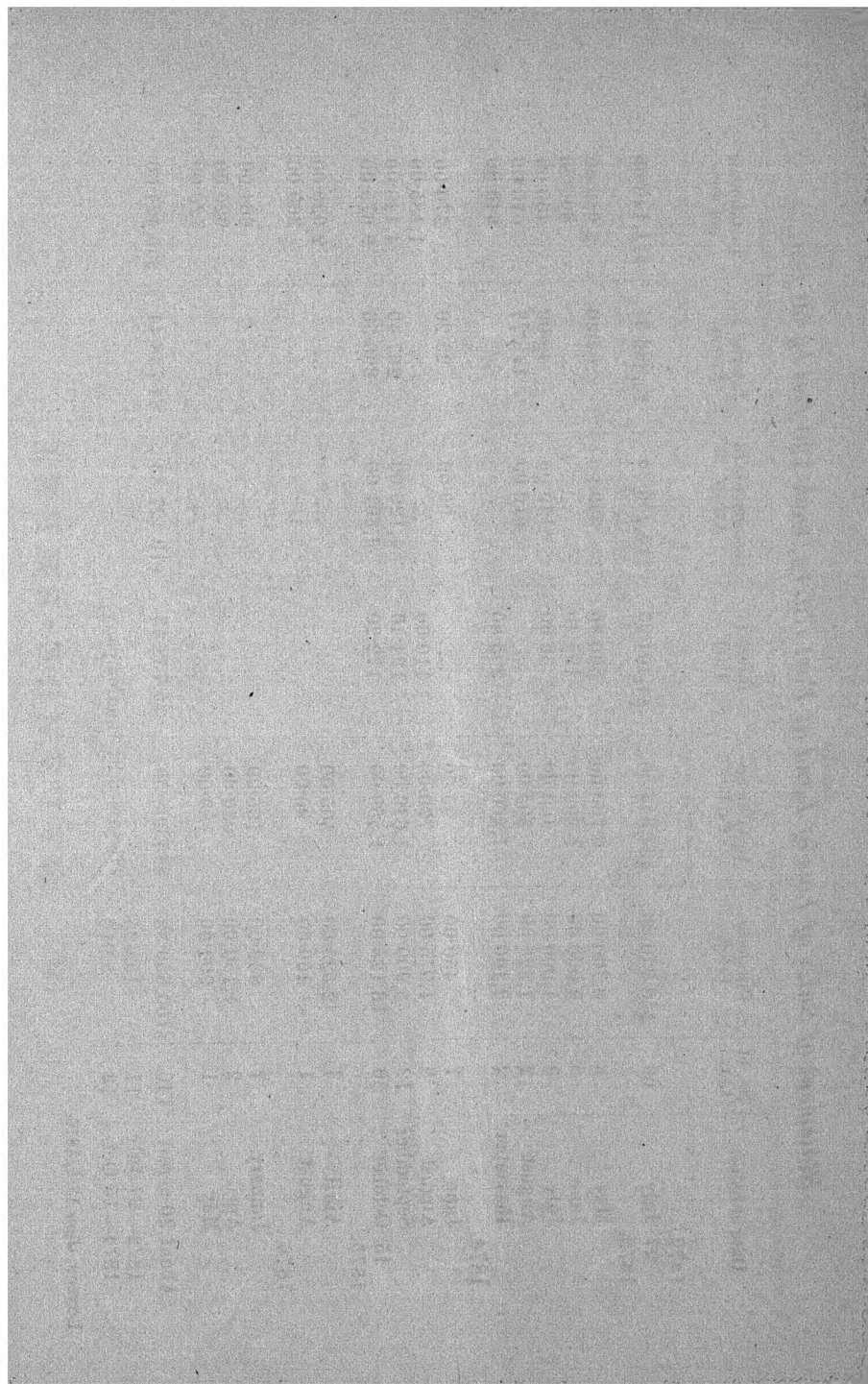
W. QUILTER,  
*Auditor.*

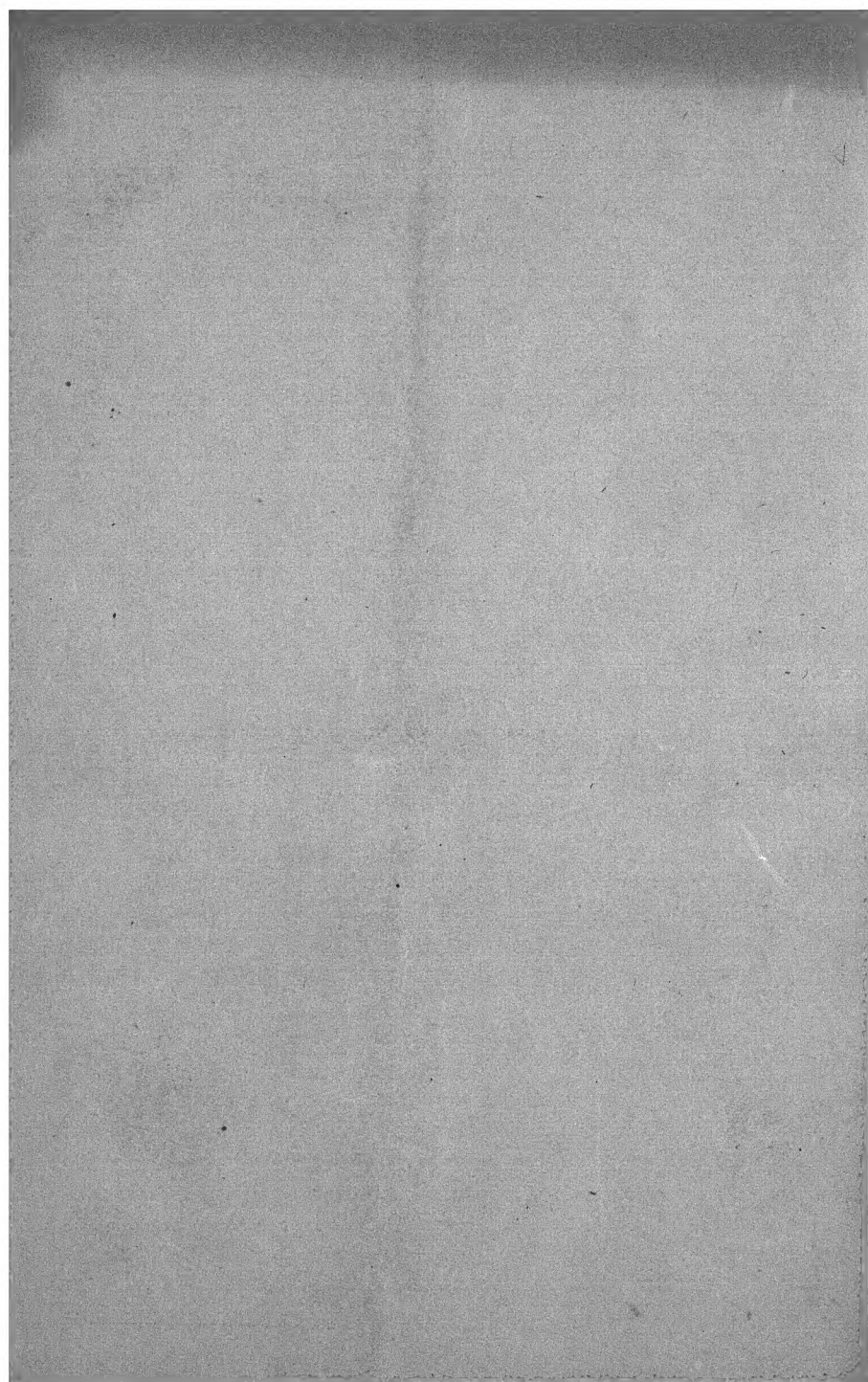
5, Moorgate Street,  
June 13th, 1876.

*Statement of Sales of Lots of Land at Fort Garry, each 120 feet by 50 feet.*

| Date of Sales.   | No. of Lots. | Purchase Price. | Instalments Paid.         | Interest Paid. | Instalments in Arrear. | Interest in Arrear. | Instalments not due. |
|------------------|--------------|-----------------|---------------------------|----------------|------------------------|---------------------|----------------------|
| 1872.<br>27 July | 68           | \$56,229-83     | \$32,833-50               | \$4,264-23     | \$12,256-33            | \$3,263-31          | \$11,140-00          |
| 1873.<br>May     | 8            | 6,700-00        | 3,700-00                  | 599 90         | 320-00                 | 67-20               | 2,680-00             |
| June             | 3            | 2,000-00        | 1,200-00                  | 195-40         | ...                    | ...                 | 800-00               |
| July             | 2            | 1,000-00        | 460-00                    | 56 00          | 140-00                 | 42-00               | 400-00               |
| August           | 2            | 1,525-00        | 305-00                    | ...            | 610-00                 | 176-77              | 610-00               |
| December         | 2            | 2,100-00        | 1,260-00                  | 205-80         | ...                    | ...                 | 840-00               |
| 1874.<br>June    | 1            | 450-00          | 90-00                     | ...            | 90-00                  | 25 20               | 270-00               |
| August           | 3            | 1,975-00        | 790-00                    | 110-60         | ...                    | ...                 | 1,185-00             |
| September        | 12           | 6,900-00        | 1,640-00                  | 134-40         | 1,120-00               | 267-40              | 4,140-00             |
| 15 October       | 36           | 16,125-00       | 1,559-00                  | 172-20         | 4,891-00               | 896-56              | 9,675-00             |
| 1875.<br>April   | 4            | 2,525-00        | 505-00                    | ...            | ...                    | ...                 | 2,020-00             |
| August           | 1            | 450-00          | 90-00                     | ...            | ...                    | ...                 | 360 00               |
| 1876.<br>January | 1            | 880-00          | 166-00                    | ...            | ...                    | ...                 | 664-00               |
| April            | 2            | 1,150-00        | 230-00                    | ...            | ...                    | ...                 | 920 00               |
| May              | 1            | 900-00          | 180-00                    | ...            | ...                    | ...                 | 720-00               |
| (About 20 acres) | 146          | \$100,859-83    | \$45,008-50               | \$5,738-53     | \$19,427-33            | \$4,738-44          | \$36,424-00          |
| 1872—27 July     | 17           | \$15,425        | } Resumed by the Company. |                |                        |                     |                      |
| 1874—15 Oct.     | 13           | 5,910           |                           |                |                        |                     |                      |

LONDON, June 13<sup>th</sup>, 1876.







2

1876 JUNE PROCEEDINGS MISSING.

